



General Assembly

February Session, 2010

Raised Bill No. 382

LCO No. 1820

01820_____ENV

Referred to Committee on Environment

Introduced by:
(ENV)

***AN ACT REQUIRING BIODIESEL BLENDED HEATING OIL AND
LOWERING THE SULFUR CONTENT OF HEATING OIL SOLD IN THE
STATE.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 16a-21a of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2011*):

4 (a) The amount of sulfur content of the following fuels sold, offered
5 for sale, distributed or used in this state shall not exceed the following
6 percentages by weight: (1) [For number two heating oil, three-tenths of
7 one per cent] For the period beginning July 1, 2011, and ending June
8 30, 2014, fifty parts per million and, on and after July 1, 2014, fifteen
9 parts per million, and (2) for number two off-road diesel fuel, three-
10 tenths of one per cent.

11 Sec. 2. (NEW) (*Effective October 1, 2010*) (a) For purposes of this
12 section:

13 (1) "Heating oil" means heating fuel that meets the American Society
14 of Testing Materials or "ASTM" standard D396 or the "ASTM" standard

15 D6751;

16 (2) "Biodiesel blend" means a fuel comprised of mono-alkyl esters of
17 long chain fatty acids derived from vegetable oils or animal fats that
18 meets the most recent version of ASTM International designation
19 D6751;

20 (3) "Sold" means the wholesale sale made to a retailer or the retail
21 sale made to an end-user consumer;

22 (4) "Commissioner" means the Commissioner of Consumer
23 Protection, or the commissioner's designee; and

24 (5) "Sufficient in-state production of biodiesel" means fifty per cent
25 of the annual mandated volume of biodiesel, as determined by the
26 most recent data available from the Energy Information
27 Administration of the United States Department of Energy, is available
28 from in-state producers based upon the combined nameplate capacity
29 of such producers.

30 (b) (1) Subject to the provisions of subdivision (2) of this subsection
31 and subsections (d) and (f) of this section, (A) not later than July 1,
32 2011, all heating oil sold in this state shall be a biodiesel blend
33 containing not less than two per cent biodiesel, (B) not later than July 1,
34 2012, all heating oil sold in this state shall be a biodiesel blend
35 containing not less than five per cent biodiesel, (C) not later than July
36 1, 2015, all heating oil sold in this state shall be a biodiesel blend
37 containing not less than ten per cent biodiesel, (D) not later than July 1,
38 2017, all heating oil sold in this state shall be a biodiesel blend
39 containing not less than fifteen per cent biodiesel, (E) not later than
40 July 1, 2020, all heating oil sold in this state shall be a biodiesel blend
41 containing not less than twenty per cent biodiesel.

42 (2) The provisions of subparagraphs (A) to (E), inclusive, of
43 subdivision (1) of this subsection shall not take effect until the states of
44 New York, Massachusetts and Rhode Island each adopt requirements

45 that are substantially similar to the provisions of subparagraphs (A) to
46 (E), inclusive, of subdivision (1) of this subsection.

47 (c) Unless the commissioner issued a waiver pursuant to subsection
48 (f) of this section, any biodiesel blended with heating oil shall be
49 produced in accordance with industry-accepted quality control
50 standards, including, but not limited to, any standard required under
51 the BQ-9000 certifications program of the National Biodiesel
52 Accreditation Programs. A certificate of analysis that verifies
53 conformity with designation D6751 of ASTM International shall be
54 provided by the marketers or producers of any such biodiesel prior to
55 the blending of such biodiesel with heating oil. The Department of
56 Consumer Protection, within available appropriations, shall verify that
57 biodiesel offered for sale in this state conforms with the specifications
58 mandated by designation D6751 of ASTM International.

59 (d) On or before April 1, 2011, and on or before April 1, 2012, the
60 Commissioner of Consumer Protection, in consultation with the
61 Distillate Advisory Board established pursuant to subsection (e) of this
62 section, shall, within available appropriations, determine whether
63 there is sufficient in-state production of biodiesel, to comply with the
64 provisions of subparagraphs (A) and (B) of subdivision (1) of
65 subsection (b) of this section, respectively. If the commissioner
66 determines that such production is not sufficient, the commissioner, in
67 consultation with the board, may delay the implementation date
68 contained in said subparagraph until July 1, 2012, or earlier, and July 1,
69 2013, or earlier, respectively, provided the commissioner: (1) Not later
70 than three business days after such determination, posts a notice
71 specifying the duration of such delay on the department's Internet web
72 site, and (2) not later than thirty days after such posting, reports, in
73 accordance with the provisions of section 11-4a of the general statutes,
74 the reasons for such delay to the joint standing committees of the
75 General Assembly having cognizance of matters relating to the
76 environment, general law and energy and technology.

77 (e) (1) There is established a Distillate Advisory Board. Such board
78 shall be located in the Department of Consumer Protection and shall
79 consist of the following members appointed by the Commissioner of
80 Consumer Protection: (A) Two representatives of the producers or
81 suppliers of biodiesel in this state, (B) two representatives of the retail
82 heating oil industry in this state, and (C) two representatives of the
83 wholesale distillate supply industry in this state. Each member of the
84 board shall serve at the pleasure of the commissioner and without
85 compensation. No funds shall be allocated or made available to the
86 board.

87 (2) The board shall advise the commissioner on industry and market
88 progress in meeting and enabling compliance with the requirements of
89 subsections (b) and (c) of this section.

90 (f) (1) The Commissioner of Consumer Protection, upon the receipt
91 of a petition submitted by the Distillate Advisory Board in compliance
92 with the provisions of subdivision (2) of this subsection, shall
93 temporarily waive the requirements of subsections (b) and (c) of this
94 section when: (A) The United States Department of Energy authorizes
95 a release from the Northeast Heating Oil Reserve, (B) there is an
96 inadequate supply of low-sulfur distillate products, or (C) there is an
97 inadequate supply of biodiesel blending stocks or an operational
98 problem that affects the supply of biodiesel blending stocks. Any such
99 waiver shall be for a period of not less than thirty days and not more
100 than forty-five days, provided such waiver may be renewed after the
101 expiration of such period of time.

102 (2) Any petition from the Distillate Advisory Board that requests a
103 waiver of any requirement of subsection (b) or (c) of this section shall
104 include, at a minimum: (A) A statement of the immediate threat to the
105 health and safety of the citizens of this state posed by the inadequate
106 supply of low-sulfur distillate products, biodiesel blending stocks or
107 operational problems that affect the supply of biodiesel blending
108 stocks, as applicable, (B) the cause and nature of such inadequate

109 supply or operational problem, as applicable, (C) the expected
 110 duration of such inadequate supply or operational problem, and (D) as
 111 applicable, a description of any alternative distillate supply that
 112 temporarily is needed to take the place of the applicable distillate
 113 supply described in subsection (b) or (c) of this section. Not later than
 114 three business days after receipt of any such petition, the
 115 commissioner shall issue a waiver of the requirements of subsection (b)
 116 or (c) of this section, as applicable.

117 (g) Not later than February 1, 2012, and each year thereafter, the
 118 Commissioner of Consumer Protection, in consultation with the
 119 Distillate Advisory Board, shall submit a report, in accordance with the
 120 provisions of section 11-4a of the general statutes, to the joint standing
 121 committees of the General Assembly having cognizance of matters
 122 relating to energy and the environment on the progress in meeting the
 123 requirements of this section and on any affect that such requirements
 124 may have on the price or supply of heating oil in this state.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2011</i>	16a-21a(a)
Sec. 2	<i>October 1, 2010</i>	New section

Statement of Purpose:

To amend the maximum sulfur content of home heating oil and establish a biodiesel blending requirement for such oil.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]